

Although we will contribute to the literature on the social impacts of homeownership in three significant ways, the primary purpose of this paper is to focus on the first: outlining our social-psychological theoretical approach to how homeownership impacts social outcomes.

This paper is organized in three sections. The first section briefly reviews other theoretical approaches and their empirical support. The second section presents our theoretical approach: the Theory of Planned Behavior and its extension, the Model of Goal-Directed Behavior. The third section summarizes our approach to the measurement of social impacts in the homeowner and renter questionnaires. It lays out the areas in which we will use our theoretical approach as well as other areas of interest.

I. Literature Review

Several reviews of research on the social impacts of homeownership have appeared recently (Rohe, McCarthy, & Van Zandt, 2000; Scanlon & Page-Adams, 2001; Millennial Housing Commission, 2002; Rohe, Van Zandt & McCarthy, 2002). These reviews have consistently identified a variety of positive effects of homeownership, although it is not clear that these benefits accrue to low-income homebuyers (Meyer, Yeager, & Burayidi, 1994; Rohe, McCarthy, & Van Zandt, 2000). Three broad theoretical approaches to answering this question are evident in the research literature.

Economic Approaches

Economic approaches interpret the beneficial effects of homeownership as the result of the behaviors of economically rational homeowners: they are acting to protect their economic investment in their homes. Several studies found that homeowners are more likely to invest in home maintenance upkeep and property repair (Gatzlaff, Green & Ling, 1998; Rohe & Stewart, 1996; Shilling, Sirmans, & Dombrow, 1991; Galster, 1987; 1983; Varady, 1986; Henderson & Ioannides, 1983; Yates, 1982). Studies have also shown that homeowners become more involved in their neighborhoods because of their financial stake in the greater community (Butler, 1985). In this literature, the effect of homeownership on child outcomes has been attributed to the parents' desire to protect their financial investment, leading to parental behavioral changes such as greater parental monitoring (Green & White, 1997).